

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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SERGEY LEONTIEV,  
Plaintiff,

-against-

ALEXANDER VARSHAVSKY,  
Defendant.  
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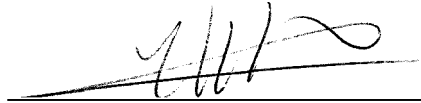
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: No. 16-cv-03595 (JSR)  
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: **SUPPLEMENTAL DECLARATION OF**  
: **YURY MONASTYRSKY**  
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I, YURY MONASTYRSKY, declare under penalty of perjury as follows:

1. I submit this supplemental declaration to address the supplemental authority submitted by Defendant, apparently showing that the delisting of Financial Group “Life” has been reversed by a Russian tax authority. The basis for this reversal has not been provided, and we therefore do not know if the proper procedures were followed. The decision remains subject to reversal on a challenge by the liquidator or another party with standing.

2. Regardless of the reopening of the liquidation proceedings, my previous conclusion has not changed: The only basis on which a controlling shareholder of a legal entity may be held liable for the debts of that entity is in the course of an insolvency proceeding, if the insolvency is caused by the action or inaction of such person in approving transactions that meet the criteria of voidable transactions under the Insolvency Law. At present, we are aware of no insolvency proceeding involving Financial Group “Life” and no claims against any controlling persons of that entity. Further, even if such claims were brought, the controlling person would be exempt from liability if the insolvency occurred through no fault of the controlling person or if the controlling person acted reasonably and in good faith in the interests of the debtor.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 16th day of September, 2016 in Moscow, Russian Federation.

A handwritten signature in black ink, appearing to be 'Yury Monastyrsky', written over a horizontal line.

Yury Monastyrsky